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RUEHCV/AMEMBASSY CARACAS 4492
RUEHCP/AMEMBASSY COPENHAGEN 0418
RUEHPE/AMEMBASSY LIMA 4825
RUEHMN/AMEMBASSY MONTEVIDEO 6193
RUEHPG/AMEMBASSY PRAGUE 0061
RUEHQT/AMEMBASSY QUITO 7107
RUEHSG/AMEMBASSY SANTIAGO 1875
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TAGS: [PGOV](#) [PREL](#) [PINR](#) [MARR](#) [MASS](#) [MCAP](#) [SNAR](#) [KTIA](#) [BL](#)
CI, EZ
SUBJECT: BOLIVIA: MOD ANNOUNCES USG BLOCKED JET SALE

REF: A. STATE 131417
[1](#)B. PRAGUE DAO REPORT: IIR 6 824 0041 09

Classified By: CDA Krishna Urs for reason 1.4 (b)(d)

[1](#)1. (C) Summary: After meeting with CDA and MILGP Commander March 16, the spokesman for the Bolivian Minister of Defense Walker San Miguel announced the United States had "vetoed" the sale of Czech L-159 military jets to Bolivia. Post suspects San Miguel was expecting to be told that the sale was unlikely and therefore preemptively announced "our" response. San Miguel publicly said he would instead look to replace Bolivia's aging trainer aircraft with the Chilean T-35. CDA told San Miguel he was not optimistic about the prospects for an approval given the last six months of GOB attacks on the USG and Embassy, including expelling the Ambassador, an EmbOff, and the entire DEA section based on patently false accusations. End Summary.

[1](#)2. (C) The CDA and MILGP Commander met with Defense Minister Walker San Miguel March 16 at MOD request. San Miguel said that he had signed last Thursday's formal paperwork for the purchase of six L-159 Advanced Light Combat Aircraft (ALCA) from the Czech Republic. The jet interceptors/training aircraft contain U.S. manufactured avionics and engines. San Miguel said that he understood that the Czech company involved (Czech defense import/export firm OMNIPOL) would soon be approaching the USG for a license to transfer these items to Bolivia. He said he asked to meet with the CDA in order to ensure that the request would also be conveyed through diplomatic channels.

CDA: Bilateral Freefall Has Consequences

[1](#)3. (C) CDA told San Miguel that the USG had not/not received to date any formal request for the transfer of U.S. technology to Bolivia through a L-159 sale (reftel a). CDA reminded San Miguel that U.S.-Bolivian relations were in a very poor state at present, largely the result of unjustified GOB actions. CDA told San Miguel that he was not optimistic regarding the sale given the circumstances. CDA reminded San Miguel that the Bolivian government had expelled Ambassador

Goldberg, 38 DEA staff, and Second Secretary Francisco Martinez in the past six months, all on trumped up charges based on false information:

--Ambassador Goldberg had not conspired against the government; while it is true that he met with opposition prefects, the Vienna Convention's Article 3 very clearly protects the right of diplomats to meet with all political forces in a country.

--DEA did not transport armaments to the opposition prior to September 2008 unrest in the Media Luna

--Francisco Martinez had never met with any Bolivian prefect (governor) nor with Rodrigo Carrasco.

MOD Blames USG, Announces Chilean Deal

¶4. (C) San Miguel said that he understood the difficulties in the bilateral relationship and asked that the USG quickly make a determination so that the GOB could look to other suppliers if the L-159 sale does not go through. The next day, however, La Paz daily La Prensa published a story sourced from the MOD explaining the USG had already "vetoed" the deal. The story quoted San Miguel as redirecting the MOD to a deal with Chile's National Aeronautics Company (ENAER) to supply aircraft instead. The article provided no details on the deal beyond San Miguel's optimism of an "agreeable price" for a "quick delivery." San Miguel emphasized the need for the two-seater aircraft to replace obsolete and inoperable Bolivian aircraft. The article did not mention use of the T-35 for drug interdiction, one of the GOB's original rationales for the L-159 deal. The altitude ceilings of the aircraft are far different: 13,200 meters for the L-159, 5,340 meters for the T-35, an important difference in high-altitude Bolivia. The T-35 is a turbo-prop plane, not a jet. These are not comparable aircraft.

Background

¶5. (SBU) The GOB reported January 16 that they had made an agreement with the Czechs to purchase six L-159s for nearly \$60 million, with delivery as early as August. Press accounts mentioned that the sale needed the approval of the USG. Bolivian reporting followed a January 14 report from Czech financial weekly Euro's Web site stating that Czech MOD would supply the L-159s to Bolivia for \$58 million. In December, Embassy Prague explained to the Czech MOD and MFA that the USG had not received a formal request for deal and were unlikely to approve the request. Czech Deputy Minister of Defense Martin Bartak told the U.S. Ambassador in Prague that the Czech MOD understood the "reserved reaction" of the USG and "will of course respect it." Bartak indicated the Czechs would refocus on a L-159 deal with Spain. (reftels)

Comment

¶6. (C) Despite the MOD's public declaration it seems likely that the USG will soon receive in Washington a request for approval of the L-159 transfer. We recommend that we drag out any decision. Meanwhile the Czechs do not appear to have been fully forthcoming with the Bolivians on this sale. End Comment.

URS